



GAIL FARBER, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: PD-1

June 2, 2009

TO: Each Supervisor

FROM: Gail Farber *Gail Farber*
Director of Public Works

ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY BOARD MEETINGS-APRIL 27, 2009 AND MAY 11, 2009

On April 27, 2009, and May 11, 2009, my staff attended the regular Board meetings of the Alameda Corridor-East (ACE) Construction Authority. Copies of the April 27, 2009, and May 11, 2009, agendas and adopted minutes of the March 23, 2009, and April 27, 2009, regular Board meetings are attached. The following items were discussed at the meetings, which are of interest to the County of Los Angeles.

April 27, 2009 ACE Board Meeting

Agenda Item VI – The Chief Executive Officer reported that our Federal legislators have submitted transportation appropriation requests for Federal Fiscal Year 2010 budgeting process for ACE projects.

Agenda Item VII – The Board approved staff's recommendation to review the Initial Study and Environmental Assessment and the proposed Mitigation Monitoring Plan, and adopt the Mitigated Negative Declaration for the Nogales Street Grade Separation Project.

Agenda Item IX – The Board approved staff's recommendation to authorize the Chief Executive Officer to amend the contract with Del Richardson & Associates, Inc., to provide additional relocation assistance services for the ACE acquisition program, necessary for the Baldwin Avenue grade separation project in the amount of \$65,000, resulting in a new task order amount of \$219,000.

Agenda Item X – The Board approved staff's request to amend the Fiscal Year 2009 task order with Wagner Engineering and Survey, Inc., to provide additional survey and mapping services necessary for the Baldwin Avenue and Nogales Street (LA Subdivision) grade separation projects in the amount of \$130,000, resulting in a new task order amount of \$327,700.

Agenda Item XI – The Board approved staff's recommendation to authorize the Chief Executive Officer to enter into a lease renewal for 9,137 square feet of office space at the San Gabriel Valley Corporate Center, for a period of five years, and to continue negotiations to potentially include a term extension for a reduction in monthly rent.

Agenda Item XII – The Board approved staff's recommendation to adopt a Race-Conscious Disadvantaged Business Enterprise (DBE) Implementation Agreement for Local Agencies and submittal to Caltrans, in conformance with the program implementation directive to local agencies effective June 2, 2009, with an amendment to include Hispanic-American males and sub-continent Asian American males, who are no longer considered DBEs under the most recent DBE Disparity Study. The Board authorized staff to prepare a letter to the Governor, Caltrans, and the Secretary of Business, Housing, and Transportation to encourage them to expedite a review and revision of the DBE Disparity Study.

Agenda Item XIII – The Board approved staff's recommendation to support Senate Bill 652 in the California State Senate, which will clarify that the ACE Construction Authority is eligible to apply for the Federal Railroad Administration Capital Grants Program for Rail Line Relocation and Improvement projects.

May 11, 2009 ACE Board Meeting

Agenda Item VI – The Chief Executive Officer reported that the Congressional representatives from the San Gabriel Valley testified in support for High Priority Project Program funding for the ACE project during an April 28 hearing of the House Subcommittee on Highways and Transit, for a future transportation bill.

Agenda Item VII – The Board approved the ACE Budget for Fiscal Year (FY) 2009-10 in the amount of \$112.18 million, a 38 percent increase from the approved FY 2008-09 Budget. The increase is as a result of additional project activities. The FY 2009-10 Budget provides only for projects with committed funds and will be amended if additional funding becomes available.

Each Supervisor
June 2, 2009
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Agenda Item VIII – The Board approved staff's recommendation to authorize the Chief Executive Officer to execute a contract with Burke, Williams & Sorensen, LLP for general counsel and property acquisition legal services, and also with Oliver, Sandifer & Murphy for property acquisition legal services, for the amounts established in each year's annual budget and annual task orders.

Agenda Item IX – The Board approved staff's recommendation to authorize the Chief Executive Officer to negotiate and execute a contract with KOA Corporation or CH2M Hill, for the Phase II Traffic Study and Grade Separation Concept Plans for an amount not to exceed \$550,000.

Agenda Item X – The Board approved staff's recommendation to increase the Chief Executive Officer's change order authorization by \$567,763 for a new total contract authorization of \$37,434,247 for the East End Avenue and Reservoir Street Grade Separation projects, to accommodate change order compensation to the general contractor and subcontractors for cost escalations, changes, and delays.

Agenda Item XI - The Board approved staff's recommendation to authorize the Chief Executive Officer to execute an Amendment No. 3 with Moffatt & Nichol for an amount not to exceed \$18,304,601 for final design services for the San Gabriel Trench Project, for a new contract value of \$25,203,004.

The next Board meeting will be held on June 22, 2009, at 2 p.m., at the Irwindale City Hall Chambers.

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Attach.

cc: Chief Executive Office (Lari Sheehan)
Executive Office



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY

BOARD OF DIRECTORS

REGULAR MEETING AGENDA

Monday, April 27, 2009 – 2:00 P.M.

Irwindale City Hall

5050 Irwindale Avenue

Irwindale, CA 91706

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of the discussion.

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|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| I. | Roll Call and Introductions | |
| II. | Pledge of Allegiance | |
| III. | Approval of Minutes of Meeting of March 23, 2009 (Pages 1-4) | Action |
| IV. | Public Comment | |
| V. | Chairman's Remarks | Information |
| VI. | Chief Executive Officer's Report (Pages 5-10) | Information |
| VII. | Approval of Nogales Street (LA) Grade Separation Mitigation Monitoring Plan, Mitigated Negative Declaration and the Nogales Street Grade Separation Project (Pages 11-29) | Action |
| VIII. | Approval of Selection and Award of Contracts to Legal Firms for General Counsel and Property Acquisition Legal Services (Pages 30-31) | Action |
| IX. | Approval of Task Order Amendment for Del Richardson for Property Relocation Services (Page 32) | Action |
| X. | Approval of Task Order Amendment for Wagner Engineering & Survey, Inc. for Surveying Services (Pages 33-34) | Action |
| XI. | Approval of Office Lease (Pages 35-36) | Action |

The ACE Construction Authority is constituted of seven (7) member jurisdiction; the Cities of El Monte, Industry, Montebello, San Gabriel and Pomona, the County of Los Angeles and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex-officio Board member. Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes. All disclosable public records related to this meeting are available for viewing at the ACE office above during normal working hours.

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| XII. | Adoption of Revised Caltrans DBE Program (Pages 37-47) | Action |
| XIII. | Approval of State Legislation Concerning Federal Railroad Administration Grant Program (Pages 48-49) | Action |
| XIV. | Quarterly Project Progress Report (Pages 50-61) | Information |
| XV. | Quarterly Project Financial Report (Pages 62-67) | Information |
| XVI. | Adjournment | Action |



ACE Construction Authority
Board Meeting
March 23, 2009
Minutes

Chairman Spohn called the meeting to order at 2:08PM in the Irwindale City Council Chambers.

1. In attendance were:

Tim Spohn, Chairman, Industry
Harry Baldwin, San Gabriel
Patricia Wallach, El Monte
Rosemarie Vasquez, Montebello
Dave Spence, SGVCOG

Staff

Rick Richmond, Chief Executive Officer
Joe Silvey, Legal Counsel
Deanna Stanley

Guests

Gary Neely, Senator Bob Huff
Tom Crowell, RailPros

2. Pledge of Allegiance

Member Baldwin led the pledge of allegiance.

3. Approval of Minutes of February 23, 2009.

A motion was made to approve the meeting minutes of February 23, 2009.
M/S/C: /Wallach/Baldwin/Unanimous

4. Public Comment

There were no comments from the public.

5. Chairman's Remarks

Chairman Spohn thanked the staff for coordinating successful meetings with legislators and staff in Washington. Chairman Spohn reported that this would be Councilmember Harry Baldwin's last meeting on the ACE Board. He reminded the Board of member Baldwin's many contributions to the Project since its inception and that he would be sorely missed. Rick Richmond also thanked member Baldwin for his contributions and expressed his appreciation. Gary Neely, representing Senator Bob Huff presented Councilmember Baldwin with a certificate of recognition.

6. Chief Executive Officer Report

Mr. Richmond indicated he was pleased that the federal appropriations for fiscal year 2009 included \$1.8 million for ACE Projects. He indicated there were three allocations totaling approximately \$2-3M but clarification was needed on the definition of ACE in the language to determine if additional funds were available to us.

Mr. Richmond reminded the Board that the grant anticipation notes were reduced in October to \$53 million due to the instability in the financial markets. He indicated, since then our interest costs have declined to less than one percent and have remained steady in the .4-.6% range over the last three months. He reminded the Board that this tool is used to generate net surplus.

Lastly, he reported proposals for legal services were received and a recommendation is forthcoming at the next Board meeting.

Charles Tsang reviewed construction project photos for Temple Avenue 4th Track.

7. Review of Project Definition Report and Property Requirements for the Baldwin Avenue Grade Separation Project.

Mr. Richmond reminded the Board that this item was at the request of Member Spence as a result of a property owners' concern with the design of the project. He reviewed the project plans and options at length. He reviewed considerations for access in and out of the King Ranch industrial center onto Gidley and Baldwin. He reminded the Board that staff will continue to work on reasonable solutions. Member Spence thanked Mr. Richmond for following up on this item.

Hearing on Notice of Resolution of Necessity No. 09-01 and 09-02

Chairman Spohn opened the hearing on Resolution of Necessity No. 09-01. Joe Silvey, legal counsel, reviewed the eminent domain legal process which would apply for all Resolutions being brought before the Board. He indicated the Board would be asked to consider three requirements: 1. Whether or not the public interest, convenience and necessity require construction of the Baldwin Avenue grade separation project. 2. Whether or not the project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury; and 3. Whether or not the property sought to be acquired is necessary for the project. He also indicated negotiations would continue even if the Resolution of Necessity was adopted and five affirmative votes were required to pass the resolution.

Mark Mendoza reviewed the design options considered for the construction of the Baldwin Avenue grade separation project. He reviewed the property

requirements from Nestle Water North America (Arrowhead). They are permanent easements for: underground utilities, retaining wall, underground footing and for adjoining property access. A temporary construction for approximately 24 months is also necessary. He indicated negotiations have been underway but unsuccessful.

The public comment period was opened and there were no comments. The public comment period was closed.

A motion was made by Member Baldwin to adopt the Resolution No. 09-01 as put forth by staff authorizing commencement of eminent domain proceedings so as to acquire fee simple interest in real property described therein. The motion was seconded by Member Wallach. Unanimous

Chairman Spohn opened the hearing for Resolution of Necessity No. 09-02. Mark Mendoza reviewed the property requirements from Vons Grocery Company. He explained a permanent easement for adjoining property access is necessary for the construction of the Baldwin Avenue grade separation project.

The public comment period was opened and there were no comments. The public comment period was closed.

A motion was made by Member Baldwin to adopt the Resolution No. 09-02 as put forth by staff authorizing commencement of eminent domain proceedings so as to acquire fee simple interest in real property described therein. The motion was seconded by Member Wallach. Unanimous

8. Hearing on Notice of Resolution of Necessity No. 09-03

Chairman Spohn opened the hearing for Resolution No. 09-03. Mr. Mendoza reviewed the project/design options considered for the Temple Avenue Train Diversion/4th Track Project. He explained the preferred option required acquisition of a 9,429 square foot permanent easement from Altech Industries to enable extend slope embankment. He explained the property was used for medications and repairs of trucks that are used primarily to remove/install utility power poles. He reviewed right of entry and compensation for a new fence/wall adjacent to the right of way. He indicated negotiations for the purchase of the property interest have been unsuccessful and Altech's legal counsel asked staff to move forward with the condemnation process.

The public comment period was opened and there were no comments. The public comment period was closed.

A motion was made by Member Wallach to adopt the Resolution No. 09-03 as put forth by staff authorizing commencement of eminent domain proceedings so as to acquire fee simple interest in real property described therein. The motion was seconded by Member Spence. Unanimous.

9. LAN Engineering for Construction Management Services for the Baldwin Avenue Grade Separation

Mr. Richmond explained the action adopted by the Board in 2001 offered up to four assignments in Phase I to LAN Engineering for Construction Management Services. He reviewed the scope of services for construction management which includes: constructability analysis, overall management of construction, safety, changes/claims administration, coordination with agencies, material testing and inspection and contract closeout. He indicated LAN was the CM for the Nogales Street, Brea Canyon Road and Ramona Blvd. grade separation projects and this would be the final assignment under the . He indicated staff was pleased with the services they have provided and was confident the level of quality and professionalism would continue. He reminded the Board other project work would be released for bid soon.

A motion was made by Member Baldwin to authorize the Chief Executive Officer to amend the contract with Lim and Nascimento Engineering Corporation (LAN) to add \$4,254,585 and a new task order #4 to the contract for construction management services associated with the Baldwin Avenue grade separation project. M/S/C:Baldwin/Wallach/Unanimous

10. Adjournment

Chairman Spohn adjourned the meeting at 3:10PM in honor of Councilmember Harry Baldwin.



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY BOARD OF DIRECTORS

REGULAR MEETING AGENDA

Monday, May 11, 2009 – 2:00 P.M.

**Irwindale City Hall
5050 Irwindale Avenue
Irwindale, CA 91706**

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of the discussion.

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|-------|---------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| I. | Roll Call and Introductions | |
| II. | Pledge of Allegiance | |
| III. | Approval of Minutes of Meeting of April 27, 2009 (Pages 1-6) | Action |
| IV. | Public Comment | |
| V. | Chairman's Remarks | Information |
| VI. | Chief Executive Officer's Report (Pages 7-8) | Information |
| VII. | Approval of Fiscal Year 2010 Budget (Pages 9-33) | Action |
| VIII. | Approval of Selection and Award of Contracts for Legal Services (Pages 34-35) | Action |
| IX. | Approval of Selection and Award of Contract for Phase II Traffic Study and Concept Plans (Pages 36-37) | Action |
| X. | Approval of Contract Amendment for Ortiz Enterprises for Construction of the East End Ave/Reservoir Grade Separation Projects (Pages 38-39) | Action |
| XI. | Approval of Contract Amendment for Moffatt Nichol for Design Services for the San Gabriel Trench Project (Pages 40-41) | Action |

The ACE Construction Authority is constituted of seven (7) member jurisdiction; the Cities of El Monte, Industry, Montebello, San Gabriel and Pomona, the County of Los Angeles and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex-officio Board member. Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes. All disclosable public records related to this meeting are available for viewing at the ACE office above during normal working hours.

- XII. Closed Session: The Board will adjourn to closed session in accordance with Government Code Section 54956.8 to discuss real property negotiations Action
Property Address: 4210 Baldwin Avenue El Monte, CA 91731
Agency Negotiator: Mark Mendoza, Paragon Partners
Negotiating Parties: ACE Construction Authority and Baldwin Valley Partnership (Lucky KT)
Matters under negotiation: Price and terms
- XIII. Adjournment Action

ACE Construction Authority

Board of Directors Meeting

April 28, 2009

Minutes

The Chairman called the meeting to order at 2:00PM in the Irwindale City Council Chambers.

1. In attendance were:

Tim Spohn
Steven Atchley
Paul Eaton
David Gutierrez
David Spence
Patricia Wallach
Rosemarie Vasquez

Staff

Rick Richmond, Chief Executive Officer	
Joe Silvey, Legal Counsel	
Deanna Stanley	Cynthia Ambrose
Charles Tsang	Carlos Monroy
Victoria Butler	Regina Talamantez

Guests

Gary Neely, Senator Bob Huff
Hank Alonso, Jacobs Engineering
Bruce Russell, Jacobs Engineering
Roosevelt Joshua, Safety Environmental Consulting
Karadee Etheridge, Congressman Gary Miller
Al Contreras, SCE
Eugene Kao, KOA Corporation

2. **Pledge of Allegiance** – Chairman Spohn led the pledge of allegiance.
3. **Approval of Minutes of March 23, 2009** – A motion was made to approve the minutes of March 23, 2009. Vasquez/Atchley/Unanimous.
4. **Public Comments** – There were no public comments.

5. **Chairman's Remarks** – Chairman Spohn reported that members were in Sacramento on April 15 to meet with legislators and staff to keep them updated on the ACE Project, its funding needs and thank them for their continued support.
6. **Chief Executive Officer's Report** – Mr. Richmond reported that federal legislators have submitted appropriation requests for the ACE Project. Congressman Dreier submitted a request for the overall project, Congressman Schiff, a request for the San Gabriel Trench and Congresswoman Napolitano for the Sunset Avenue project. Staff has sent letters thanking them for their support. Mr. Richmond reminded the Board that in the beginning of the project, program management functions were provided by Bechtel Corp. In late 2007 Mr. Richmond requested bringing these functions in-house as he believed it would be more cost effective and advised the Board that he would report back of the findings. He indicated a comparison is now available and is included in the agenda which shows a 33% cost savings, a greater savings than anticipated when factoring in 2.5 audit positions which were not in the program management functions, further justifying the overall benefits of an in-house program management function.

Mr. Richmond also reminded the Board that procurement is underway for evaluating projects for Phase II and staff will have a recommendation for consideration at the next Board meeting. He reminded the Board that the next regularly scheduled meeting is May 11th.

Lastly, Mr. Richmond reminded the Board that the quarterly mitigation monitoring reports are included in the agenda. He indicated the reports reflect comments from the community and staff's response for projects in construction during the past quarter.

Mr. Charles Tsang, Senior Project Manager reviewed project progress photos for the Temple Avenue project and Victoria Butler, Senior Project Manager reviewed project progress photos for the Sunset Avenue grade separation project.

7. **Approval of Nogales Street (LA) Grade Separation Mitigation Monitoring Plan, Mitigated Negative Declaration and the Nogales Street Grade Separation Project** – Mr. Richmond reviewed the background of the project. He reminded the Board that the project originally was to be built by the City of Industry and funding was secured by the City for \$60 million of the \$85 million estimated needed for the project. Mr. Tsang reviewed the existing conditions. He reported average vehicle counts of 45,000 per day which cross railroad tracks shared by freight and commuter rail. Average speeds can reach up to 60 miles per hour. He highlighted the elements of the project which

include, depressing Nogales, construction of a two track railroad bridge, widen Walnut Drive and Gale Avenue, and an exclusive lane for southbound traffic to enter the 60 freeway westbound. He reported a community meeting was held in November 2008 and very well attended. He reported that the comments are summarized in the agenda. He indicated the majority of the concerns related to parking, accessibility into and out of shopping centers at Nogales and Gale and the proposed detour route at Otterbein Avenue. The matter was discussed at length. Mr. Tsang assured the Board that staff would continue to address minimizing the impacts on the community resulting from the construction of the project. Mr. Richmond reminded the Board that with the magnitude of the traffic in the area, construction will be an inconvenience but also assured the Board that staff would extend every effort to minimize the impacts. He reviewed the schedule and reminded the Board that one grant secured for this project required the project be in construction by 2010.

A motion was made to approve the proposed Mitigation Monitoring Plan and Adopt a Mitigated Negative Declaration and approve the Nogales Street Grade Separation Project. M/S/C/Atchley/Vasquez/Unanimous

8. **Approval of Selection and Award of Contracts to Legal Firms** - Chairman Spohn reported this item would be carried over to the May 11 meeting at the request of member Molina.
9. **Approval of Task Order Amendment for Del Richardson for Property Relocation Services** – Mr. Richmond indicated the request for an amendment for this task order also applied to the next item on the agenda. He reported that pre-construction activities have been underway for the Baldwin Avenue and Nogales Street grade separation projects. As part of those activities property acquisitions for the Baldwin Avenue project have proven to be at a greater volume than anticipated. Del Richardson provides relocation services for those impacted by property acquisitions and services need to continue to complete relocations and meet critical deadlines. However, since the task order did not account for the increased number of relocations the contract will fall short prior to the end of the fiscal year.

A motion was made to amend the fiscal 2009 task order with Del Richardson & Associates to provide additional services necessary for the Baldwin Avenue grade separation project at a not-to-exceed amount of \$65,000 for a new FY 2009 task order of \$219,000. M/S/C/Wallach/Gutierrez/Unanimous

10. **Approval of Task Order Amendment for Additional Survey Services for FY 2009 for Wagner Engineering & Survey, Inc.** – Mr. Richmond indicated

Wagner Engineering provides plat maps and legal descriptions necessary for property acquisitions and is performing these tasks for both the Nogales Street and Baldwin Avenue grade separation projects.

A motion was made to amend the fiscal year 2009 task order with Wagner Engineering to provide additional services necessary for the Baldwin Avenue and Nogales Street projects. M/S/C/Wallach/Vasquez/Unanimous

11. **Approval of Office Lease** – Mr. Richmond reported the ACE Project office has been at its current location since 2000 under a sublease to Washington Mutual. He reported that since the takeover by the FDIC staff has been in discussion with CB Richard Ellis on behalf of Metlife, the building owner to review ACE's options. He reported options considered including moving into an ACE-owned building acquired for the Brea Canyon Road project. He indicated it was staff's belief that continuing at its current location was in the best interest of the project. He reported that one of the features of the existing lease was the use of office furniture, the majority of which is property of Metlife. Discussion ensued regarding the term of the lease.

After discussion, a motion was made to approve staff enter into a lease with Metlife for 9,137 square feet of office space and to continue negotiations to potentially include a term extension for a reduction in monthly rent.
M/S/C /Gutierrez/Wallach/Unanimous

12. **Approval of Race-Conscious Disadvantaged Business Enterprise Program Implementation Agreement with Caltrans** – Pat Padilla, Padilla & Associates reviewed at length the history of the DBE Programs administered by Caltrans. She indicated ACE must required to comply with Caltrans program as a local agency recipient in order to continue to receive funding. Since May 2006 the program has been race-neutral and there have been numerous challenges to the program. In June a disparity study was conducted which resulted in four of the six groups initially included as DBEs under federal regulations being sufficiently qualified. She indicated the two groups now not included in the disadvantaged businesses are firms owned by Hispanic American males and Sub-continent Asian American males. She reminded the Board that ACE must approve the new program by June 2, 2009 and indicated ACE has always administered networking opportunities at pre-proposal meetings in order to encourage the use of DBE contractors. Member Vasquez requested the records to reflect her concern and that she was disturbed by the removal of the two groups.

Member Vasquez made a motion to approve the race-conscious disadvantaged business enterprise implementation agreement for local agencies and directed

staff to prepare a letter to the Governor, Caltrans and the Secretary of Business, Housing & Transportation to encourage them to expedite a review and revise the study. M/S/C/Vasquez/Atchley/Unanimous

- 13. Approval of Support of State Legislation Concerning Federal Railroad Administration Grant Program** – Mr. Richmond reported that ACE applied for a \$2 million capital grant from the Federal Railroad Administration and was advised that the ACE did not qualify because it was not deemed a political subdivision of the State of California. ACE appealed the determination but was suggested to request assistance from other means to resolve this issue. Senator Huff agreed to introduce legislation to declare that the San Gabriel Valley Council of Governments and ACE be considered a subdivision of the State and may be applicants for railroad administration grants. He reminded the Board that the COG delegated ACE the authority to seek funding necessary for the project. Mr. Richmond indicated the COG had its attorney review the legislation and requested minor word changes which, in Mr. Richmond's opinion does not affect the overall essence of the bill. Member Spence agreed that the COG's attorney has reviewed the legislation but it was the COG's preference was that all the attorneys meet to further discuss the matter. The matter was discussed by the Board. After discussion Member Wallach indicated it was her belief that funding for the project was a benefit and other members agreed.

A motion was made to support State legislation concerning Federal Railroad Administration Grant Program. M/S/C/Vasquez/Gutierrez/Spence oppose

- 14. Review of Quarterly Project Progress Report** – Mr. Richmond reviewed the project costs for the third quarter of the 2009 fiscal year. He reported an increase of \$5.4 million due to East End/Reservoir agency support and construction costs, Ramona construction close out costs, Brea Canyon Road property settlement and UPRR close out costs, Baldwin Avenue property settlements and Sunset Avenue utility relocations and agency support costs. He reviewed the accomplishments which included closing out Brea Canyon Road, utility relocations at Sunset, construction of retaining wall at Temple Avenue, Baldwin right of way activity and site clearance. He also reported that the San Gabriel Trench design is at 35% and review is underway and that the environmental reports for both the San Gabriel Trench and Nogales Street were circulated. He reported the traffic study for Nogales Street was completed.
- 15. Review of Quarterly Project Financial Report** – Carlos Monroy reviewed the quarterly financial reports which covered expenditures, receipts by project and investments.

16. **Adjournment** – The meeting was adjourned at 3:32PM.